Pantelis Michalopoulos 202 429 6494 pmichalo@steptoe.com



1330 Connecticut Avenue, NW Washington, DC 20036-1795 202 429 3000 main www.steptoe.com

### **REDACTED - FOR PUBLIC INSPECTION**

September 18, 2014

### VIA ECFS

Ms. Marlene H. Dortch Secretary Federal Communications Commission 445 Twelfth Street, S.W. Washington, DC 20554

Re: Applications of Comcast Corporation, Time Warner Cable Inc., for Consent to Transfer Control of Licenses and Authorizations, MB Docket No. 14-57

Dear Ms. Dortch:

Pursuant to the *Joint Protective Order* in the above-captioned proceeding, DISH Network Corporation ("DISH") submits a public, redacted version of its Second Highly Confidential Supplement by Professor David Sappington. The "{{ }}" symbols denote where Highly Confidential Information has been redacted. The Highly Confidential, unredacted version of its Second Supplement by Professor David Sappington is being filed simultaneously under separate cover and is being delivered to the Media Bureau.



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Ms. Marlene Dortch September 18, 2014 Page 2 of 2

Please do not hesitate to contact us should you have any questions.

Sincerely,

Pantelis Michalopoulos

Stephanie A. Roy

Counsel for DISH Network Corporation

Enclosure

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Second Highly Confidential Supplement to:

The Anticompetitive Effects of the Proposed Merger of Comcast and Time Warner Cable

Professor David Sappington

## September 18, 2014

I, David Sappington, being over 18 years of age, offer this additional declaration to add one calculation to my "Highly Confidential Supplement to: The Anticompetitive Effects of the Proposed Merger of Comcast and Time Warner Cable," filed on September 8, 2014 ("the Supplement"). This additional calculation further illustrates the extent to which the combined company would dominate the nation's high-speed broadband connections.

The Supplement provides some calculations that reflect June 2013 data provided by the Applicants. One calculation in the Supplement assumes that Time Warner Cable ("TWC") has already achieved the penetration rate of broadband connections with downstream speeds of at least 25 Mbps ("25M broadband connections") that Comcast plans for TWC's systems postmerger (i.e., the same penetration rate that prevails in Comcast's systems, which was {{}} percent of all connections in June 2013). The number of June 2013 Comcast and TWC 25M broadband connections under this assumption is {{}} }}.

The Supplement notes that, holding the total number of 25M broadband connections constant, this represents {{}} }} percent of the 21,544,000 25M broadband connections actually supplied in the U.S. in June 2013.

Israel (2014, ¶168) reports that: (i) Comcast supplied {{ }} 25M broadband connections in June 2013; and (ii) TWC supplied {{ }} broadband connections with downstream speeds of at least 200 kbps in June 2013. Observe that {{ }}.

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The additional calculation here allows the total number of 25M broadband connections supplied in the U.S. to increase by the same amount that the number of TWC 25M connections increases. The {{ }} 25M broadband connections that Comcast and TWC would have supplied in June 2013 in this setting represent {{ }} percent of the {{ }} 25M broadband connections that would have been supplied in the U.S. in June 2013 had TWC supplied {{ }} rather than {{ }} 25M broadband connections.

The foregoing declaration has been prepared using facts of which I have personal knowledge or based upon information provided to me. I declare under penalty of perjury that the foregoing is true and correct to the best of my information, knowledge, and belief. Executed on September 18, 2014.

David Sappington

Eminent Scholar, Department of Economics

Director, Robert F. Lanzillotti Public Policy Research Center

University of Florida

This calculation holds constant the number of 25M broadband connections supplied by providers other than TWC as of June 2013.

Observe that {{

#### CERTIFICATE OF SERVICE

I hereby certify that, on September 18, 2014, I caused a copy of the foregoing Second Highly Confidential Supplement of DISH Network Corporation to be filed electronically with the Commission using the ECFS system and caused a copy of the foregoing to be served upon the following individuals by First Class Mail:

Matthew A. Brill LATHAM & WATKINS LLP 555 11th Street, NW, Suite 1000 Washington, DC 20004 Counsel for Time Warner Cable Inc. Francis M. Buono WILLKIE FARR & GALLAGHER LLP 1875 K Street, NW Washington, DC 20006 Counsel for Comcast Corp.

Samuel L. Feder
JENNER & BLOCK
1099 New York Ave., NW
Suite 900
Washington, DC 20001
Counsel for Charter Communications, Inc.

Sincerely,

Andrew W. Guhr

Steptoe & Johnson LLP